

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Cedar City Field Office 176 East DL Sargent Drive Cedar City, UT 84720 Telephone (435) 586-2401 www.ut.blm.gov/cedar_city/



In Reply Refer To: UT-042 3602 UTU-80512

June 13, 2005

Mr. Brad Boyter Western Clay Co. P.O. Box 127 Aurora, UT 84620

Dear Mr. Boyter:

This letter is in regard to your material sales contract to quarry and remove up to 2,500 tons of limestone/dolomite from BLM-managed lands within the NE4SW4 of section 21, T. 28 S., R. 11 W., Beaver County, Utah. The quarry is located on the eastern slopes of the Star Range, about 6 miles southwest of the town of Milford. The contract was serialized by BLM as file UTU-80512, Star Range Dolomite and was permitted under State of Utah, Division of Oil, Gas, and Mining (DOGM) as S/001/065. The two-year contract period expired on June 4, 2005.

On June 13, 2005, in a telephone conversation with you, I learned that it was Western Clay's intent to discontinue operations at the site. We discussed the timing of the necessary reclamation of the existing site disturbances and agreed that reclamation could be deferred to this fall to accommodate your equipment and manpower availability.

To avoid a noncompliance with our regulations, it will be necessary for Western Clay to initiate earthwork reclamation at the site no later than September 15, 2005, and complete earthwork reclamation and seeding of the reclaimed areas no later than October 30, 2005. To prevent any misunderstanding regarding the expectations of BLM and DOGM to obtain reclamation bond release, I would appreciate if you would telephone me a week prior to initiating earthwork reclamation so that I can arrange to meet with you or a representative of Western Clay on site.

If you have any questions regarding this matter, please feel free to contact me at 435-865-3040.

Sincerely,

RECEIVED

JUN 15 2005

DIV. OF OIL, GAS & MINING

Ed Ginouves

Staff Mining Engineer

Ed Tim